

CHAPTER 13

SECTION 4.1

INDIVIDUAL CONSIDERATION CASES

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I. ISSUE

Under what situations can more than the prevailing charge be reimbursed for items or services?

II. POLICY

A. When unusual circumstances or medical complications require additional time, effort or expense, the provider may request payment of a charge or fee that exceeds the prevailing charge. This charge may be determined to be allowable where the circumstances or medical complications support an additional charge. These special circumstances need not necessarily involve additional medical or surgical procedures to be considered in the allowable charge determination.

B. The contractor will determine whether or not it is acceptable medical practice to charge the extra amount. This determination will be based on whether or not it is acceptable medical or medical service practice in the state to make an extra charge in such cases. Of course, the mere fact that the physician's or other provider's usual charge is higher than the prevailing charge would not of itself justify allowance of the higher charge. At times, the contractor may wish to consult its medical review staff or the local medical society for any information which might be helpful in making this determination.

C. Whether all or part of the additional amount charged is allowable will have to be determined by the contractor based on its knowledge of all pertinent facts including (1) the usual additional charge, under the circumstances, of the physician or other person rendering the service; (2) the prevailing charging practices under such circumstances of physicians and other persons in the state; and (3) the additional time spent or expenses incurred by the physician or other person rendering the service, etc. These determinations are to be made on a case-by-case basis.

D. Claims shall be pended and reviewed for accuracy of the procedure code and number of services if: (1) there is reason to believe a submitted charge which exceeds the prevailing charge may be justified; or (2) if the submitted charge is 50% or less or one hundred fifty percent (150%) or more than the allowed amount and the difference is not the result of an identifiable clerical error. Contractors desiring to apply more stringent controls may do so.

E. While they do not cover all possible situations, the following guides shall be applied in determining the allowable charge when unusual circumstances or medical complications are present:

1. Medical complications. Any claim which indicates there were actual medical complications which required time and effort over and above the normal range for the service shall be reviewed for possible allowance of charges in excess of the prevailing charge.

2. Travel and Mileage Charges. An additional fee for travel on the basis of mileage might be justified if the physician or other person makes an extra charge for mileage to his patients in general when travel is required, and if this is accepted medical practice in the state.

F. Medical documentation is required for payment of charges or fees exceeding the prevailing amounts (CMAC); e.g., 22-modifier denoting services greater than usually required for the listed procedure.

1. The additional allowance, not to exceed the billed charge, will be dependent on the contractor's review and evaluation of the information submitted with the claim. The following criteria will be considered in determining how much of an additional allowance can be given for individual procedures:

- a. Description of the nature, extent, and need for the procedure.
- b. The time, effort, and equipment necessary to provide the service.
- c. Complexity of the symptoms.
- d. Diagnostic and therapeutic procedures.
- e. Pertinent physical findings.
- f. Supplementary procedures.
- g. Current problems and follow-up.

2. If the contractor receives a claim with a modifier for reimbursement greater than the CMAC for a particular procedure and it is not accompanied with appropriate documentation to justify the additional charge, it will be paid at the standard CMAC amount (the CMAC for the procedure under normal circumstances). A EOB message will be used to explain why the additional allowance was not allowed for the procedure.

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